

## Message Text

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53

ACTION ARA-20

INFO OCT-01 ISO-00 AID-20 CIAE-00 COME-00 EB-11 FRB-03

INR-11 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12 SP-03

CIEP-03 LAB-06 SIL-01 OMB-01 DRC-01 /101 W

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R 271350Z SEP 74

FM AMEMBASSY BUENOS AIRES

TO SECSTATE WASHDC 8252

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E. O. 11652: N/A

TAGS: EFIN, AR

SUBJ: BANK RENATIONALIZATION: CHASE SUBSIDIARY INTERVENED

REF: BA-3241

1. ARGENTINE CENTRAL BANK INTERVENED BANCO ARGENTINO DE COMERCIO (CHASE MANHATTAN) ON SEPT. 20 REPLACING BOARD OF DIRECTORS WITH INTERVENTION TEAM SELECTED BY CENTRAL BANK. ACTION WAS TAKEN, ACCORDING TO CENTRAL BANK COMMUNIQUE, BECAUSE OF ECONOMIC DETERIORATION OF BANCO DE COMERCIO SINCE BANK RENATIONALIZATION LAW TOOK EFFECT LAST YEAR. INTERVENTION TEAM APPARENTLY HAS FULL POWER TO CONDUCT NORMAL OPERATIONS OF BANK.

2. LOCAL SOURCES STILL UNCERTAIN AS TO REASONS OR LIKELY RESULT OF INTERVENTION. IT GENERALLY AGREED THAT BANCO DE COMERCIO WAS NOT IN GOOD CONDITION WHEN ACQUIRED BY CHASE AND SPECULATION NOW IS THAT WITH RENATIONALIZATION, CHASE MAY HAVE LOST INTEREST IN TRYING TO SUPPORT IT. WE ALSO UNDERSTAND THAT AT LEAST SINCE APRIL, WHEN DECREES ISSUED SETTING COMPENSATION FOR RENATIONALIZED BANKS, ANY PROFITS OR LOSSES RESULTING FROM OPERATIONS HAVE BEEN FOR ACCOUNT OF CENTRAL BANK. INTERVENTION BY CENTRAL BANK TEAM COULD IMPROVE BANCO DE COMERCIO'S POSITION BY DRAWING TO IT

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ACCOUNTS OF STATE CORPORATIONS, ETC. AND THUS LEAD TO BETTER

OFFERS WHEN RENATIONALIZED BANKS PUT UP FOR PUBLIC AUCTION.  
IT UNCLEAR WHETHER INTERVENTION WILL HAVE ANY EFFECT  
ON FINAL PRICE RECEIVED BY CHASE FOR BANCO DE COMERCIO.  
HILL

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK NATIONALIZATION, CENTRAL GOVERNMENT  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 SEP 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** izenbei0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BUENOS07227  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740273-0510  
**From:** BUENOS AIRES  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1974/newtext/t1974099/aaaaahda.tel  
**Line Count:** 65  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** BA-3241  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 09 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <09 SEP 2002 by cunninfx>; APPROVED <04 MAR 2003 by izenbei0>  
**Review Markings:**

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30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BANK RENATIONALIZATION: CHASE SUBSIDIARY INTERVENED  
**TAGS:** EFIN, AR, CHASE MANHATTAN  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005